**South Carolina General Assembly**

123rd Session, 2019-2020

**H. 3591**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Allison and Felder

Document Path: l:\council\bills\rt\17490sa19.docx

Companion/Similar bill(s): 318

Introduced in the House on January 15, 2019

Currently residing in the House Committee on **Ways and Means**

Summary: SC Pay for Success Performance Accountability Act

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/15/2019 House Introduced and read first time ([House Journal‑page 77](file:///h:\hj\20190115.docx))

1/15/2019 House Referred to Committee on **Education and Public Works** ([House Journal‑page 77](file:///h:\hj\20190115.docx))

1/22/2019 House Recalled from Committee on **Education and Public Works** ([House Journal‑page 40](file:///h:\hj\20190122.docx))

1/22/2019 House Committed to Committee on **Ways and Means** ([House Journal‑page 40](file:///h:\hj\20190122.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=3591&session=123&summary=B) at the website

**VERSIONS OF THIS BILL**

[1/15/2019](file:///p:\pprever\2019-20\3591_20190115.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 60 TO TITLE 11 SO AS TO ESTABLISH THE TRUST FUND FOR PERFORMANCE ACCOUNTABILITY TO FUND PAY‑FOR‑SUCCESS CONTRACTS, WHEREBY THE STATE CONTRACTS WITH A PRIVATE‑SECTOR ORGANIZATION TO ACHIEVE SPECIFICALLY DEFINED MEASUREABLE OUTCOMES IN WHICH THE STATE PAYS ONLY TO THE EXTENT THAT THE DESIRED OUTCOMES ARE ACHIEVED.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Title 11 of the 1976 Code is amended by adding:

“CHAPTER 60

South Carolina Pay for Success Performance Accountability Act

Section 11‑60‑10. This chapter is known and may be cited as the ‘South Carolina Pay for Success Performance Accountability Act.’

Section 11‑60‑20. For the purposes of this chapter, ‘pay‑for‑success contract’ means an agreement in which the State contracts with a private‑sector organization to achieve specifically defined measureable outcomes for a given population over a certain period of time and in which the State pays only to the extent that the desired outcomes are achieved, as determined by an independent assessor.

Section 11‑60‑30. There is established in the State Treasury the trust fund for performance accountability for the purpose of funding pay‑for‑success contracts to improve outcomes and lower costs for government services. The State Treasurer is the trustee and administrator of the trust fund, which must be maintained separately from the general fund of the State and all other funds

Section 11‑60‑40. (A) A state department, board, commission, committee, agency, or authority may enter into a pay‑for‑success contract, provided that the procurement of the contract is compliant with the procurement code governing procurements made by the department, board, commission, committee, agency, or authority. The State Treasurer is authorized to receive funds from other governmental entities when those funds are subject to a valid pay‑for‑success contract.

(B) The Treasurer shall make payments from the trust fund in accordance with the terms and conditions of the pay‑for‑success contracts.

Section 11‑60‑50. (A) On or before February first of each year, the Treasurer shall provide a status report on all pay‑for‑success contracts to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.

(B) The Board of Economic Advisors shall account for the trust fund revenue separately from general fund revenues in reports to the Governor and the General Assembly.”

SECTION 2. This act takes effect upon approval by the Governor.

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